CHICAGO TRANSIT AUTHORITY

1967

ANNUAL REPORT

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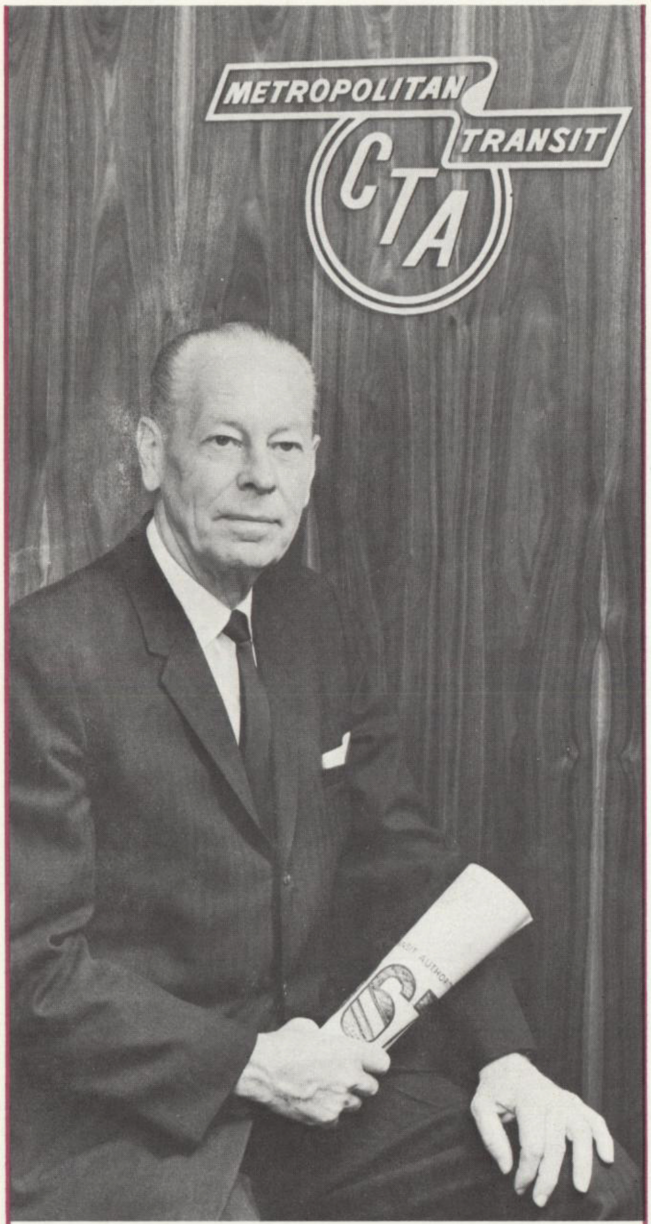

Chairman's letter

During 1967 Chicago Transit Authority marked its 20th anniversary of serving the mass transit needs of Chicago.

Since October 1, 1947, the Authority has administered a modernization and improvement program which ranks as one of the most extensive ever undertaken in Chicago and, in fact, in this nation. In 20 years, more than $220,900,000 has been spent for new cars, buses, and other modern facilities.

The year 1967 also marked the beginning of a new phase of rapid transit expansion which will add more than 20% more trackage to our present "L"-subway system, without the use of any Chicago Transit Authority funds. Federal aid was applied for and received, to match City funds, paving the way for the City of Chicago to commence construction of rail transit facilities on both the 11-mile Dan Ryan extension and the 5-mile Kennedy extension. When these facilities are placed in operation during 1969, thousands of additional riders will begin to derive the benefits of high-speed rapid transit service linking their communities with downtown Chicago.

Without a doubt, 1967 will long be remembered by every Chicagoan who was affected by the "Great Blizzard of '67." Never before have the streets of Chicago been so covered with mountain-like snow drifts which stranded and virtually covered buses and automobiles. Street traffic was at a standstill for days. Owing to the determination of operating personnel, the rapid transit system continued to operate with a minimum of delays and proved to be the salvation of an almost paralyzed city.

Employes of the Authority exhibited their stamina and public spirit again later in the same year when a fuel shortage necessitated drastic reductions in schedules over a three-day period. On the last day of the fuel truck drivers' strike (Monday, November 13), rapid transit trains, trolley buses, and operable motor buses carried standing room only crowds.

In conclusion, I would like to express on behalf of the Chicago Transit Board our sincere appreciation to all CTA employes for their loyal efforts during the past year.

George DeMent

Chicago Transit Board

GEORGE L. DeMENT, Chairman
(M) Term Expires August 31, 1973

JAMES R. QUINN, Vice Chairman
(M) Term Expires August 31, 1971

WILLIAM W. McKENNA, Secretary
(M) Term Expires August 31, 1967*

JOSEPH D. MURPHY
(M) Term Expires August 31, 1972

RAYMOND J. PEACOCK
(G) Term Expires August 31, 1968

JAMES E. RUTHERFORD
(G) Term Expires August 31, 1969

MRS. BERNICE T. VAN DER VRIES
(G) Term Expires August 31, 1970

M—Appointed by the Mayor of the City of Chicago.

G—Appointed by the Governor of the State of Illinois.

*—Continues to serve until a successor has been appointed and has qualified.

THOMAS B. O'CONNOR, General Manager

GEORGE J. SCHALLER, General Attorney

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COVER: The Forest Park terminal complex on CTA's Lake rapid transit route includes a 154-car storage yard and the inspection and maintenance shop (at left), which was completed during 1967.

Chicago Transit Authority twenty-third annual report

for the fiscal year
ended December 30, 1967

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the year in brief

financial summary

	1967	1966
Gross revenues	$148,000,000	$147,500,000
Operating and maintenance expenses	134,700,000	128,200,000
Deficit in depreciation provision after debt service charges—		
Current year	(5,900,000)	(800,000)
Previous year	(1,900,000)	(1,100,000)
Total	(7,800,000)	(1,900,000)

( ) Denotes red figures

statistics

	1967	1966
Originating revenue passengers	510,500,000	523,300,000
Revenue car and bus miles	152,400,000	157,800,000
Passenger rides per mile operated	3.35	3.32
Population of Chicago	3,520,000	3,466,000
Rides per capita	145	151
Number of active employes	12,213	12,008

operations review

riding trends

Despite a marked increase in the number of riders during the first three periods of the year, the fiscal year 1967 showed a decrease of 12,782,589 (2.44%) revenue passengers as compared with the previous year. The upsurge in riding was especially predominant in the first two periods when the record-breaking snowstorm in late January and severe snowstorms in February disrupted street traffic. Routes for the Authority's buses were cleared first and thousand of Chicagoans abandoned their automobiles and turned to CTA - especially the rapid transit system - for transportation to and from work, school, and places of recreation.

More than offsetting increases in riding earlier in the year were the affects of a fare increase and fuel strike during November. Both resulted in decreases in riding. Also affecting the riding figures for the year was the fact that there was an additional week in the 13th period (5 weeks) of 1966 as compared with the 13th period (4 weeks) of 1967.

Effective November 5, 1967, CTA revised its fare structure as a result of spiraling labor and operating costs. The basic adult fare was increased five cents (to 30¢) with an additional 10¢ premium adult, long-ride charge for persons originating or terminating their trips at the three westernmost stations on the Lake, Douglas, and Congress rapid transit routes. Child and student rates were not changed and the five-cent transfer charge remained in effect.

Details of originating revenue passengers arranged in periods for comparison purposes for the fiscal years 1967 and 1966 are shown in the following table:

	Originating Revenue Passengers		Increase (Decrease)	
Periods	1967	1966	Number	Per Cent
1, 2, 3	120,795,757	117,986,318	2,809,439	2.38
4, 5, 6	120,019,131	120,372,653	(353,522)	(.29)
7, 8, 9, 10	154,112,918	154,112,318	600	—
11, 12, 13*	115,580,590	130,819,696	(15,239,106)	(11.65)
Total	510,508,396	523,290,985	(12,782,589)	(2.44)

* The 13th period of 1966 consists of five weeks, compared to four weeks in 1967. Originating revenue passengers during the extra week totaled 7,877,604 which, when adjusted, result in (7,361,502) or (5.99) per cent in the 11th, 12th, and 13th period comparison, and (4,904,985) or (0.95) per cent in the yearly comparison.

modernization, improvements and construction

Rapid Transit Expansion Plans were highlighted during 1967 by the City of Chicago's application on February 2 to the Federal government for matching funds to finance construction of rail transit facilities in the medians of the Kennedy and Dan Ryan Expressways, and the subsequent grant approval by the U. S. Department of Housing and Urban Development on March 13. Within days, work in the two medians commenced with the taking of soil borings and installation of underground electrical duct lines.

The total cost of constructing the two new expressway rapid transit extensions is more than $84 million, including 150 modern air-conditioned cars to serve the lines. Two-thirds of the cost is being furnished by the Federal government. The City's share is being financed by a capital improvement bond issue approved by the voters of Chicago during 1966.

Federal approval was also given to the Northwest Passage Coordination Project, which will connect CTA's Clinton station on the Lake rapid transit route with the Chicago and North Western Railway terminal. Financing is being shared by CTA, C&NW, and the Federal government.

A project extending the Englewood rapid transit route west to a new terminal at 63rd street and Ashland avenue continued in the design stage. This joint project of the Chicago Department of Public Works and CTA is being financed by a Federal grant covering two-thirds of its cost.

Transportation Department Operating Stations underwent continued improvement. Foremost was the opening of the new 77th Street office building during March, 1967, providing the most modern conveniences for the 900 operating employes at CTA's largest station.

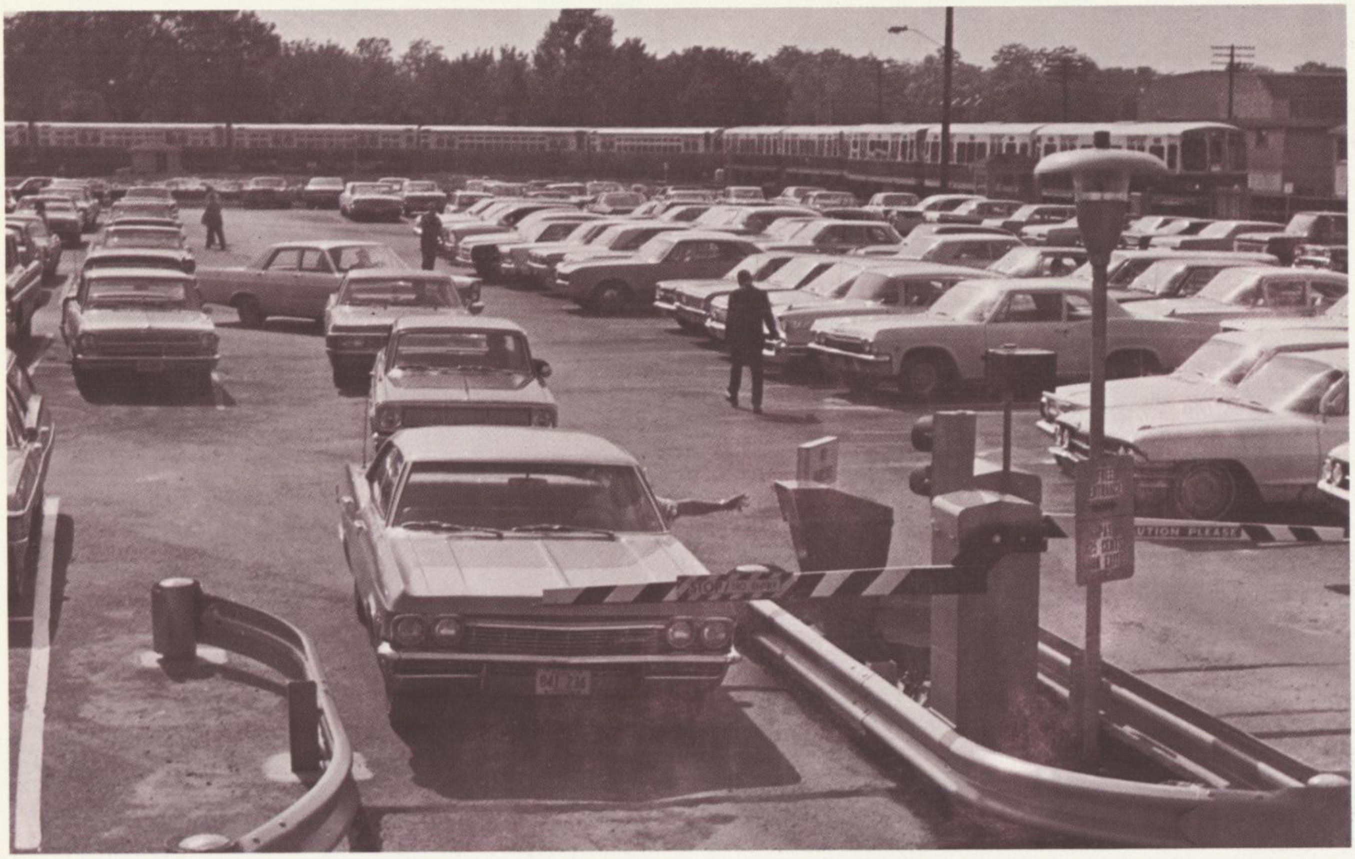
The building is of ranch style design and is constructed of white glazed brick and architectural glass panels. Interior features include tile walls and fluorescent fixtures in a modular drop in ceiling, supplemented by skylights over the concourse and operators' area. Heating and air-conditioning are provided by a thermostatically-controlled central system.

During the year heating and ventilating facilities were improved at the Archer, Beverly, and North Avenue operating stations. The construction of a new assignment office for ticket agents and janitors was completed at the Lake-Randolph mezzanine in the State Street subway.

Forest Park Terminal Shop, CTA's newest rapid transit car inspection facility, was completed and opened during June, 1967. The two-story shop, with a floor area of about 25,000 square feet, provides complete facilities for maintenance of the 140 "New Look" cars assigned to the Lake route. It is the second modern rapid transit shop built by CTA in five years--the Congress Terminal Shop, servicing cars on the West-Northwest route, was opened in July, 1962.

Repair activities are concentrated on the second floor of the shop at track level and as many as 12 rapid transit cars can be accomodated at a time. Three hoists, each capable of lifting a two-car train five feet off the track, permit ready access to undersides of cars. One of the devices is also equipped with stands that can support the train in an elevated position while any one or all trucks are lowered and removed. A two-car pit track is provided for regular inspection and servicing of cars. A second pit track, long enough to hold a four-car train, is in an adjoining structure and includes a high-pressure blow pit device for cleaning car undersides and a wheel grinder for surfacing wheel treads without necessitating their removal from cars.

A Cab Signal and Speed Control System of the most modern type was installed on the Lake route, giving CTA the distinction of operating the first rapid transit line in the nation protected by this type of equipment. With this system, electronic commands which are transmitted through audio-frequency track circuits are received and interpreted by equipment on each train. Visual indica-



Improvements to the Congress terminal Park 'N' Ride lot initiated in 1966 with resurfacing, lighting, and stall marking, continued with the installation of electric gates and a hopper-type fee collection device.

tions not only relate to safe spacing of trains but also to allowable maximum speeds along the route. Should a motorman fail to respond to visual and audible signals within 2½ seconds, the train will be stopped automatically. The system improves safety of operation by bringing signals into the cab in full view of the motorman--permitting trains to be operated at maximum speeds even when visibility is poor. Similar installations will be completed on the Kennedy and Dan Ryan extensions.

Congress Terminal Facilities were modernized with the installation of coin-actuated gates at the Park 'N' Ride lot entrance. A lighted, heated passenger shelter was installed at street level for the convenience of passengers transferring to CTA and suburban buses in the terminal.

Rapid Transit Stations in the downtown area continued to be modernized during 1967 with the completion of a second sidewalk-to-station level escalator on State street. An escalator on the northwest corner of State and Van Buren was placed in service January 17, less than a month after the State-Lake escalator entered service on December 23, 1966. The Authority continued with the remodeling of stations at Adams-Wabash and Madison-Wabash during the year.

Conversion of Substations from 25-cycle to 60-cycle power input and from manual to automatic operation continued with the completion of work at the Broadway, Illinois, and Sedgwick substations. These facilities are the fourth, fifth, and sixth of 19 substations to be converted, modernized, and placed under central supervisory control in the 10-year program, the cost of which is being shared by CTA and the Commonwealth Edison Company.

Rail, Deck and Structures continued to be improved during the year with the construction of trackwork on the temporary bypass at the Lake-Rockwell bridge over railroad tracks. Phases completed include removal of existing bridge and construction of new bridge. Work was started on the installation of permament trackwork.

To improve operation of trains through special trackwork during snow and sleet conditions, electric switch heaters were installed at the Congress and Howard street terminals, and at numerous crossovers.

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originating revenue passengers 1948 through 1967

Calendar Year	Surface System	Per Cent	Rapid Transit System	Per Cent	System Total
1948	825,379,675	85.7	137,621,520	14.3	963,001,195
1949	724,851,315	85.6	122,259,827	14.4	847,111,142
1950	641,597,249	85.3	110,603,719	14.7	752,200,968
1951	584,141,163	83.8	112,807,016	16.2	696,948,179
1952	545,332,228	82.9	112,687,227	17.1	658,019,455
1953	574,821,563	83.7	111,738,503	16.3	686,560,066
1954	529,934,199	82.7	111,232,302	17.3	641,166,501
1955	510,603,672	81.9	112,889,976	18.1	623,493,648
1956	505,623,461	81.4	115,659,105	18.6	621,282,566
1957	469,785,257	80.7	112,280,610	19.3	582,065,867
1958	426,226,629	80.0	107,067,414	20.0	533,294,043
1959	432,684,329	79.2	113,330,994	20.8	546,015,323
1960	421,832,145	78.9	112,924,491	21.1	534,756,636
1961	395,405,445	78.2	110,126,318	21.8	505,531,763
1962	390,842,961	77.4	114,068,016	22.6	504,910,977
1963	381,166,527	77.4	111,065,005	22.6	492,231,532
*1964	379,251,204	77.3	111,218,011	22.7	490,469,215
*1965	388,076,702	77.2	114,597,086	22.8	502,673,788
**1966	405,728,973	77.5	117,562,012	22.5	523,290,985
*1967	389,770,830	76.3	120,737,566	23.7	510,508,396

*The fiscal years 1964-65-67 consist of thirteen four-week periods.

**The fiscal year 1966 consists of thirteen periods, plus an extra week to cause the total period to close December 31.

West Shops Buildings, vacated by the Shops and Equipment Department with the consolidation of bus overhaul facilities at South Shops, continued to be remodeled and developed as the Engineering Department Field Headquarters. The relocation of the Frog Shop from its former location at 61st-Calumet was completed during the year.

Real Estate Purchases included the acquisition of land adjacent to the Howard street and Kimball avenue rapid transit terminals for the future expansion of these facilities.

Bus Terminal Facilities for the convenience of operating personnel were improved at the 51st-St. Louis, 55th-St. Louis, and 47th-Lake Park off-street terminals with the installation of buildings containing washroom facilities.

new revenue vehicles

During 1967 the Authority took delivery of 56 new diesel-powered 50-passenger buses costing $1,570,000, the remainder of an order for 200 units that was placed in 1966.

At December 30, 1967, the Authority owned 4,464 vehicles--3,306 buses and 1,158 rapid transit cars.

vehicle miles

The Authority continued to maintain attractive, convenient, and frequent service during 1967. Combined vehicle miles operated totaled 152,387,716, a decrease of 5,386,926 (3.41%) under 1966. Surface System miles operated were 107,073,542, a decrease of 5,199,639 (4.63%) under 1966. Rapid transit system car miles operated were 45,314,174, a decrease of 187,287 (.41%) under 1966.

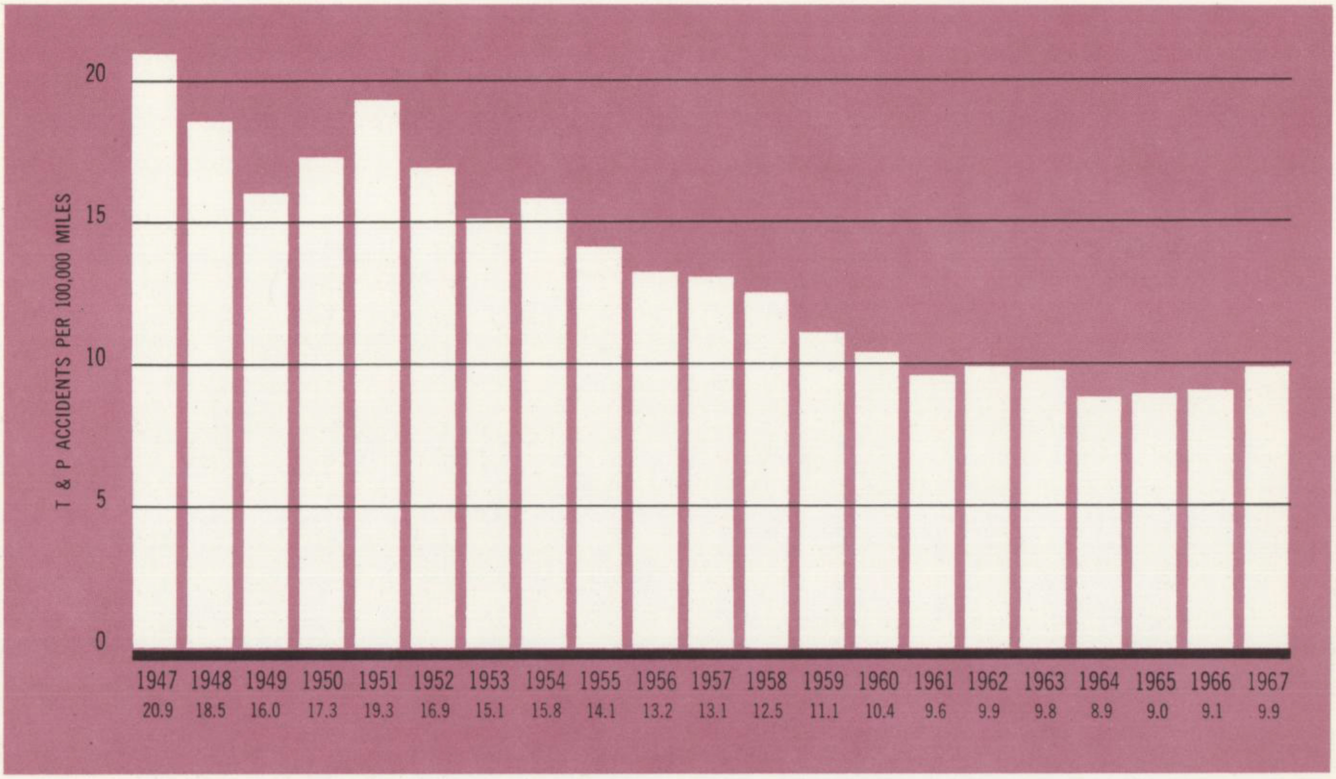
During 1967 an average of 2,874 buses operated approximately 334,382 miles each weekday, while an average of 987 rapid transit cars operated approximately 147,535 miles each weekday.

Average scheduled speed of buses in 1967 was 11.96 mph as compared with 11.93 mph in 1966, while the rapid transit system average scheduled speed of cars in 1967 was 23.13 mph as compared with 23.02 mph in 1966.

Left: Modern facilities for inspection and maintenance of Lake route rapid transit cars were placed in service June 19 at the Forest Park terminal, replacing the 74-year old Hamlin Avenue shop.

public safety

The affect of a severe winter, and the resulting hazardous driving conditions, is reflected in CTA's 1967 public safety record. However, despite the difficult and trying conditions under which



CTA operating personnel were forced to operate, 1967 was the seventh consecutive year in which there were 10 or fewer traffic and passenger accidents for each 100,000 miles operated. The combined surface and rapid transit traffic and passenger accident frequency rate of 9.98 was 36.91 per cent better than 1954 when intensive safety-training activities began.

The following table shows a comparison of the Authority's public accident experience which includes all traffic and passenger accidents regardless of liability or severity:

The graph above shows by years the combined traffic and passenger accident rate since the beginning of Authority operation.

employment

During 1967 the bus operator shortage remained critical and shortages also occurred in other job classifications such as bus servicemen and stenographers. Much of the problem was caused by the comparatively low percentage of the unemployed in the Chicago metropolitan area.

				1967 Increase (Decrease)	
	1967	1966	1954	From 1966	From 1954
Traffic accidents	9,357	8,124	16,300	15.2%	(42.60%)
Passenger accidents	5,617	5,584	9,678	0.6%	(41.96%)
Total accidents	14,974	13,708	25,978	9.2%	(42.36%)
Revenue vehicle miles on routes (in thousands)	150,000	149,874	164,222	.08%	(8.66%)
Frequency rate—Accidents per 100,000 miles—					
Traffic accidents	6.24	5.42	9.93	14.8%	(37.76%)
Passenger accidents	3.74	3.73	5.89	no change	(36.50%)
Total accidents	9.98	9.15	15.82	9.9%	(36.91%)

Note: Figures in this tabulation are based on a calendar year.

Statistics from the Illinois State Employment Service show unemployment in the Chicago area significantly below the nationwide figure.

For several years, Chicago Transit Authority has averaged about 300 bus operators below the normal requirement of about 6,000. However, in 1967 a net gain of 104 men was attained when 1,031 bus operators were hired and 927 separations occurred. This compares favorably with 1966 when there was a net loss of 186.

The highly competitive labor market demanded increased recruitment emphasis and exploration of new sources. Employe referrals were actively sought and appeals to the riding public were made through messages on transfer backs and posters on CTA vehicles and property. Participation in career conferences and employment fairs and referral programs with the Illinois State Employment Service, The Chicago Committee on Urban Opportunity, and other civic groups aided our recruitment efforts.

The employment of 694 college students and teachers as temporary bus operators during the summer months helped during the difficult period when many regular bus operators were on vacation.

Under present world and domestic conditions, a continuing manpower shortage is indicated.

During the year, there were increased processing activities in filling vacancies under the job posting system and in reassigning employes who could not continue at their jobs due to physical disabilities and continued mechanization of clerical functions.

training and instruction

Also affected by the manpower shortage, the training and instruction sections met the difficult challenge of training large numbers of full-time temporary operators hired for the summer. Preparing these employes for a bus operator's position was a difficult and demanding task because the entire group had to be trained during a short span of time.

personnel

Employes in service at the close of the fiscal year ended December 30, 1967, numbered 12,449, an increase of 255 from 12,194 in service at December 31, 1966.

During the fiscal year 1967, 381 employes retired on pension, and 399 pensioners died. There were 5,404 retired employes receiving pension payments at the end of 1967.

The following changes were made in executive and supervisory positions during 1967:

W. C. Platt was appointed Superintendent of Employe Relations, effective February 1, 1967.

W. A. Ashley was appointed Superintendent of Insurance and Pensions, effective March 1, 1967, succeeding H. B. Storm, retired.

A. R. Sandberg was appointed Electrical Engineer effective October 1, 1967, succeeding C. J. Buck, retired.

The Authority regrets to report the death of Harold S. Anthon, General Superintendent of Engineering, who died of a heart attack on December 6, 1967.

As assistant engineer of buildings and structures, Mr. Anthon joined CTA in 1948. He was subsequently appointed engineer of buildings and structures, superintendent of construction and maintenance, and in October, 1964, he was named general superintendent of engineering, the position he held at the time of his death.

Mr. Anthon was CTA's administrator and coordinator for many important rapid transit extension and improvement projects financed by the City of Chicago and the Federal Government. These include the Skokie Swift and extensions in the Dan Ryan and Kennedy expressways, extension of the Englewood service, and the Northwest Passage connecting the North Western railway's downtown terminal with CTA's Clinton station on the Lake rapid transit route.

During January of the 1968 fiscal year E. E. Olmstead was appointed to the position of Superintendent of Engineering to fill the vacancy created by the death of Mr. Anthon.

CTA

financial results

The fiscal year 1967 showed a sharp rise in operating expenses resulting primarily from increases in labor costs and other employe benefits provided by new wage agreements, as well as other increases in operating and maintenance costs.

For comparison of statistical data throughout this report the fiscal year 1967 consists of 52 weeks in contrast to 53 weeks in fiscal year 1966.

Gross revenue for the 1967 fiscal year totaled $147,979,237, an increase of $507,812 (.34%) over 1966. Operating and maintenance expenses of $134,686,336, increased $6,456,031 (5.03%).

Revenues for January, 1967, were not sufficient to make the total deposits required in debt service funds because of snow and ice removal costs due to the record snowstorm and blizzard. In order to comply with the conditions of the Trust Agreement securing the Authority's revenue bonds, it was necessary to transfer $603,836 to cover this deficiency from the Operating Expense Reserve Fund. Revenues were available for subsequent periods to meet debt service requirements, but fell $5,995,991 short of meeting the total provision for depreciation, which, together with $1,847,555 carried over from the previous year resulted in a total deficit of $7,843,546 at December 30, 1967.

Comparative results of operations for the fiscal years 1967 and 1966 are shown below:

Left: Completed at CTA's largest surface system operating station during 1967 was the modern, air-conditioned transportation office building opened on March 26. Covering more than 12,000 square feet, areas are included for operators, clerks, and receivers—in addition to offices for station superintendents, training personnel, and credit union.

	1967	1966
Revenues	$147,979,237	$147,471,425
Operation and maintenance expenses	134,686,336	128,230,305
	13,292,901	19,241,120
Debt service requirements	8,054,390	8,221,568
Transfer from operating expense reserve to meet deficit in January 1967 debt service requirements	(603,836)	—
	7,450,554	8,221,568
Balance available for depreciation	5,842,347	11,019,552
Depreciation provision-current period	11,838,338	11,797,714
Balance available for other charges or (deficit in depreciation provision)	($5,995,991)	($778,162)

(Denotes red figures)

Sources of the Authority's revenue for the fiscal years 1967 and 1966 were as follows:

	1967	1966	Increase (Decrease)	
			Amount	Per Cent
Passenger revenues—				
Surface system	$110,003,220	$111,643,728	$(1,640,508)	(1.47)
Rapid transit system	34,409,427	32,443,463	1,965,964	6.06
	144,412,647	144,087,191	325,456	.23
Charter service	674,952	742,090	(67,138)	(9.05)
	145,087,599	144,829,281	258,318	.18
Other revenues—				
Transit advertising	856,375	830,826	25,549	3.08
Rent of buildings and other property	487,482	454,944	32,538	7.15
Miscellaneous	1,547,781	1,356,374	191,407	14.11
	2,891,638	2,642,144	249,494	9.44
Total Revenues	$147,979,237	$147,471,425	$ 507,812	.34

Passenger revenues for 1967 increased $325,456 (.23%) over 1966 as a result of a change in rates of fare effective November 5, 1967. The basic adult fare was increased five cents.

Charter service revenue for 1967 was down $67,138 (9.05%) and other revenues were up $249,494 (9.44%).

Operation and maintenance expenses rose by $6,456,031 (5.03%) despite operating economies in controllable expenses. This was due primarily to increases in wages and cost-of-living allowances.

The principal elements comprising operating and maintenance expenses for the fiscal years 1967 and 1966 are shown below:

The changes during 1967 applied to a bus operators basic wage rate, were as follows:

	Basic Hourly Rate	Cost-of-Living Allowance	Total
December 31, 1966	$3.290	+0.110	$3.400
1967 changes—			
Effective March 1	—	-0.005	(0.005)
June 1	—	+0.015	0.015
September 1	—	+0.045	0.045
December 1	+0.120	+0.050	0.170
Net change	+0.120	+0.215	0.225
December 30, 1967	$3.410	$0.215	$3.625

	1967	1966	Increase (Decrease)	
			Amount	Per Cent
Wages and salaries	$ 95,363,340	$ 89,554,400	$5,808,940	6.49
Pension contributions	8,750,321	8,289,724	460,597	5.56
Federal insurance contributions	3,625,301	3,468,982	156,319	4.51
Employes' insurance	1,545,446	1,417,592	127,854	9.02
Total labor costs	$109,284,408	$102,730,698	$6,553,710	5.11
Electric power purchased	3,991,111	4,219,231	(228,120)	(5.41)
Motor bus fuel consumed	2,481,453	2,345,235	136,218	5.81
Operating material and supplies	7,600,554	6,996,758	603,796	8.63
Provision for injuries and damages	5,919,170	6,514,044	(594,874)	(9.13)
Misc. services, supplies, etc.	5,409,640	5,424,339	(14,699)	(.27)
Total operation and maintenance expenses	$134,686,336	$128,230,305	$6,456,031	5.03

Operating labor hours for the fiscal year 1967 totaled 24,890,879, compared to 25,058,160 for 1966, a decrease of 167,281 (0.67%).

Pension contributions of $8,750,321 for the year were $460,597 over 1966 due to higher employe earnings. Federal old age insurance contributions of $3,625,301 topped 1966 by $156,319.

Employes' group insurance premiums of $1,545,446 were up $127,854, covering additional benefits provided by new wage contracts.

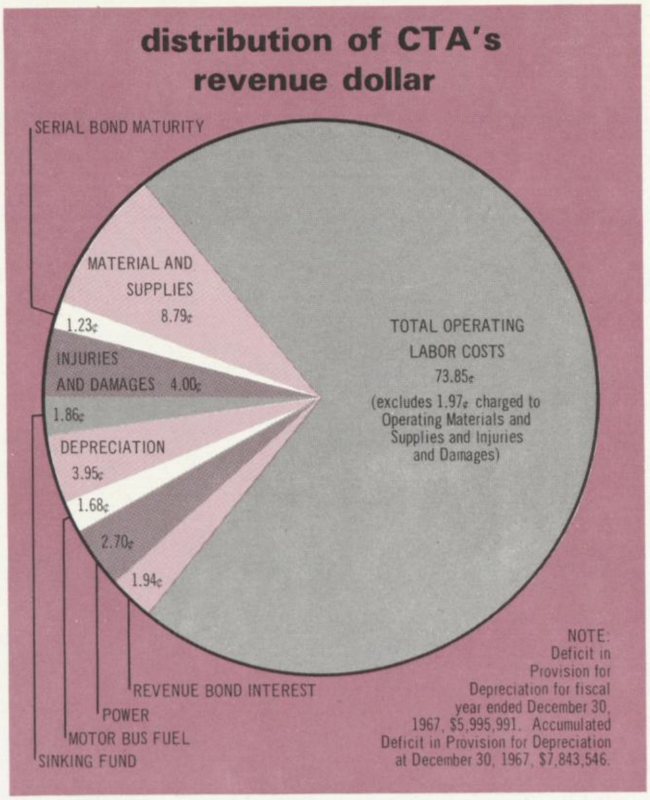
Cost of electric power purchased during 1967 was lower by $228,119, due to reduced mileage operated resulting from the conversion of two trolley bus routes to motor bus routes; Armitage in October, 1966, and Chicago in March, 1967.

Motor bus fuel costs increased $136,218 despite a decrease in mileage operated, due to higher unit costs per gallon and greater fuel consumption.

Operating material and supplies costs increased $603,796 as a result of more usage and unit price escalation.

The provision for injury and damage settlements was accrued at 4% of gross revenues, a reduction of $594,874 from 1966, when the rate was 4½% from January 1, 1966, to October 31, 1966, and 4% thereafter to December 30, 1967.

Claim and suit settlements, and expenses applicable thereto, amounted to $8,342,214 in 1967 compared with $7,208,773 in 1966 as shown in the following table:



distribution of CTA's revenue dollar

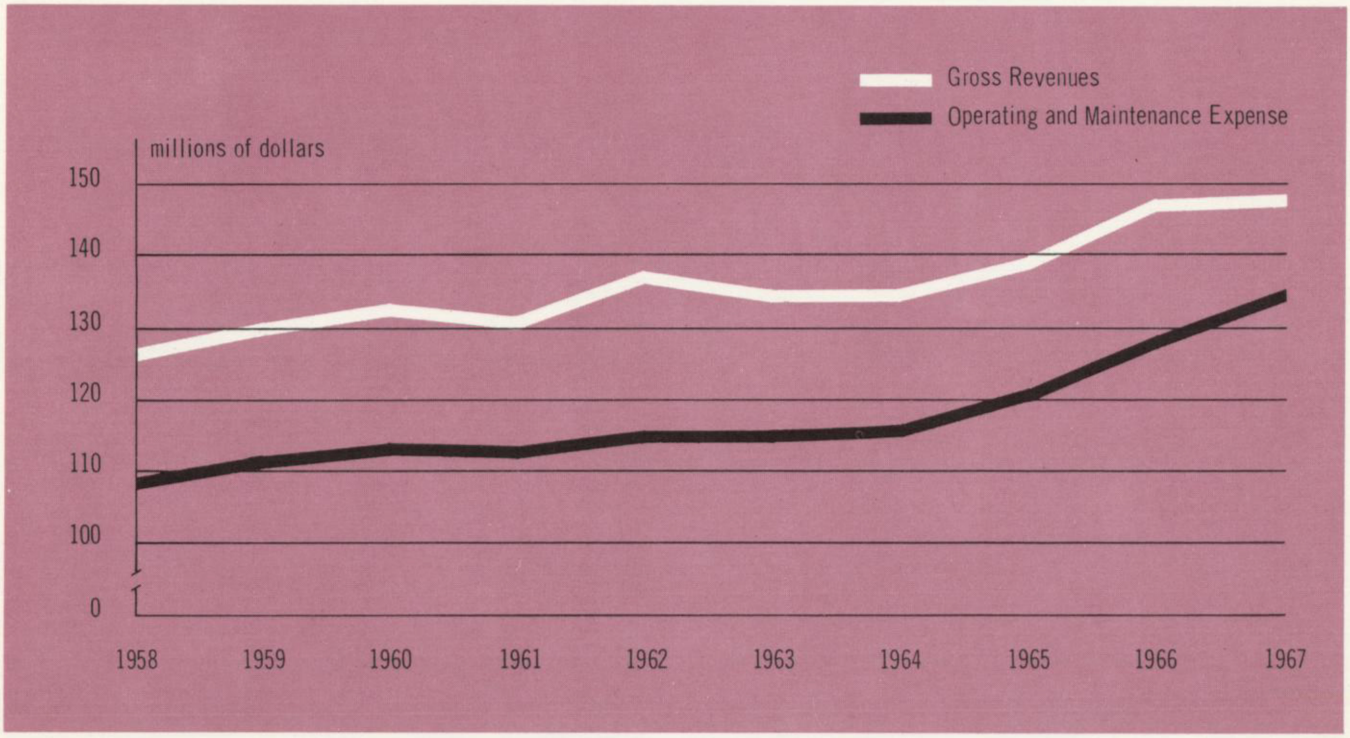
NOTE:
Deficit in Provision for Depreciation for fiscal year ended December 30, 1967, $5,995,991. Accumulated Deficit in Provision for Depreciation at December 30, 1967, $7,843,546.

Average cost per claim settled, excluding expenses, was $159 in 1967, compared with $152 in 1966; and suit costs, excluding expenses, averaged $1,400 in 1967, compared with $1,283 in 1966. The total cost of claim and suit settlements in 1967 amounted to 5.6% of gross revenue, compared with 4.9% in 1966. The number of incidents reported during the year totaled 23,617 in 1967, compared with 22,655 in 1966, an increase of 962 or 4.2%.

Miscellaneous services and supplies costs were $14,699 lower than in 1966.

Debt service requirements for 1967 totaled $8,054,390, a decrease of $167,178. Deposits to sinking funds for series of 1947, 1952, and 1953 bonds increased $131,394 to the required total of

	1967	1966	Increase
Claim settlements—			
Number	16,401	15,253	1,148
Settlement costs	$2,608,803	$2,323,605	$ 285,198
Expenses	998,616	972,197	26,419
Total cost of claims	$3,607,419	$3,295,802	$ 311,617
Suit settlements—			
Number	2,575	2,190	385
Settlement costs	$3,604,890	$2,809,166	$ 795,724
Expenses	1,129,905	1,103,805	26,100
Total cost of suits	$4,734,795	$3,912,971	$ 821,824
Total costs	$8,342,214	$7,208,773	$1,133,441



$3,000,670. Deposits to series of 1947 serial bond maturity fund, $1,994,623, decreased $37,635.

Interest payments of $3,059,097 on revenue bonds during 1967 decreased $260,937 as a result of the retirement of bonds. Bond retirements during 1967 are shown in Table A, below.

Series of 1947 serial bond maturity retirements of $2,000,000 principal amount bonds were at par. Sinking fund retirements of principal, the discount or premium involved, and future interest savings on these retirements are detailed in Table B.

Table A - REVENUE BONDS RETIRED DURING 1967

Series	Serial Bond Maturity Fund	Sinking Fund	Amortization Fund	Total	Total Retired to 12-30-67
1947	$ 2,000,000	$ 2,476,000	$ —	$4,476,000	$54,038,000
1952	—	587,000	—	587,000	4,835,000
1953	—	178,000	—	178,000	1,366,000
	2,000,000	3,241,000	—	$5,241,000	
Total to date	$31,000,000	$24,468,517	$4,770,483		$60,239,000

Table B - SINKING FUNDS

Series	Par Value	Cost	Discount (Premium)	Interest Savings at Maturity
1947	$2,476,000	$2,363,559	$112,441	$1,154,249
1952	587,000	587,784	(784)	529,051
1953	178,000	179,862	(1,862)	126,127
Total	$3,241,000	$3,131,205	$109,795	$1,809,427

Net principal savings to date by early retirement of term revenue bonds at discounts amounted to $1,323,420.

The annual interest reduction on $3,241,000 retired in advance of maturity during 1967 amounts to $127,275.

Provision for depreciation (8% of gross revenues) amounted to $11,838,338, an increase of $40,624.

financial position

Statements setting forth the financial position of the Authority at December 30, 1967, together with the opinion of Arthur Andersen & Co., independent public accountants, and other statements showing various phases of operations for the fiscal year ended that date are presented on pages 16 through 25 of this report.

outlook for 1968

financial budget

An operating budget of $162,112,000 for the fiscal year 1968 was approved by Chicago Transit Board during December of 1967. It indicated that revenues would be sufficient to cover all operating expenses and debt service on revenue bonds, but that there would be a $1,146,500 deficiency in making deposits to meet depreciation provision requirements for 1968. The total deficiency, including an estimated carry-over of $7,751,600 from 1967, was expected to amount to $8,898,100 by the end of 1968.

Passenger revenue estimates for 1968 were based on the anticipated loss in riding and increase in passenger revenues arising from the new adult fares placed in effect November 5, 1967.

Expenses budgeted were based on wage rates in effect at the close of the fiscal year of 1967, including a 21½ cents cost-of-living allowance then being paid. Wage increases effective December 1, 1968, were not included in estimated costs. Rises in material and service costs were also anticipated.

budget for capital projects

Cash available for capital outlays in 1968, including a carry-over of capital funds appropriated but not spent in 1967, is estimated at $15,608,000. Of this amount, $6,903,830 is committed or planned for the purchase of new vehicles. Most of the remaining balance is committed for other capital projects urgently needed, some of which are already under way.

Major capital items budgeted are as follows:

Purchase of motor buses, spare parts for motor buses, and rapid transit cars	$ 6,903,830
Interest and principal on equipment trust certificates	1,697,500
Substation conversion	1,378,000
Rapid transit track and track structures	2,052,500
Surface system buildings and construction	919,000
Rapid transit system buildings and construction	1,417,000
Surface system electrical construction	80,000
Rapid transit system electrical construction	427,000
Shops and equipment, purchase of tools and scrapping of passenger equipment	20,000
Stores department, purchase of equipment	15,000
Purchase of office machines and equipment	50,000
Transportation department, automotive equipment	102,000
General and administrative costs capitalized	517,170
Purchase and sale of real estate (net)	(49,000)
Major contingencies	78,000
	$15,608,000

acknowledgements

The Board wishes to express its appreciation and thanks to the employes whose courtesy, skill, and dedication to public service contributed so much to the achievements of the year, and to the riding public for their valued patronage and support.

We also thank the several public bodies, public officials, and others who have assisted the Authority for their continued cooperation and help in effecting transportation improvements in the Chicago area.

Special thanks are extended to those whose invaluable assistance made possible reimbursement to the Authority for the costs of transportating school children at a reduced fare.

Chicago Transit Board

Room 734
Merchandise Mart Plaza
Chicago, Illinois 60654

auditors' report

To Chicago Transit Board of
Chicago Transit Authority:

We have examined the balance sheet and statement of long-term debt of CHICAGO TRANSIT AUTHORITY (an Illinois municipal corporation) as of December 30, 1967, and the related statements of changes in appropriated net earnings, of application of revenue and of funds for the fifty-two week period then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We have previously examined and reported on the financial statements for the preceding fiscal period.

In our opinion, the accompanying balance sheet and statements of long-term debt, of changes in appropriated net earnings and of funds present fairly the financial position of Chicago Transit Authority as of December 30, 1967, and the sources and disposition of funds for the fifty-two week period then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding fiscal period. Also, in our opinion, the accompanying statement of application of revenue presents fairly the distribution of revenue for the fifty-two week period ended December 30, 1967, in accordance with the provisions of the trust agreement securing the revenue bonds.

ARTHUR ANDERSEN & CO.

Chicago, Illinois
March 15, 1968

balance sheets

	Dec. 30, 1967	Dec. 31, 1966
assets		
Transportation Property, at cost	$244,808,479	$239,667,898
Less—Reserve for depreciation	117,921,985	107,751,741
	$126,886,494	$131,916,157
Special Funds, cash and U.S. Government securities, at cost:		
Held by revenue bond trustee—		
Depreciation reserve	$ 4,429,084	$ 6,949,239
Operating expense reserve	1,244,423	1,848,259
	$ 5,673,507	$ 8,797,498
Damage reserve	7,245,670	9,668,715
	$ 12,919,177	$ 18,466,213
Current Assets:		
Cash and U.S. Government securities, at cost—		
Working cash account	$ 17,921,476	$ 17,593,138
Deposits for payment of interest	1,516,151	1,627,059
Accounts receivable, less reserve	573,944	332,853
Materials and supplies, at average cost	6,211,917	5,822,533
Other	1,675,592	1,860,839
	$ 27,899,080	$ 27,236,422
	$167,704,751	$177,618,792
liabilities		
Long-Term Debt, including $6,422,498 debt service requirements due within the next fifty-two week period (Note 2):		
Revenue bonds, after deducting amounts held by trustee for payment of principal (Note 3)	$ 65,938,852	$ 71,098,318
Equipment trust certificates, after deducting amounts held by trustee for payment of principal (Note 4)	12,776,661	13,984,998
	$ 78,715,513	$ 85,083,316
Appropriated Net Earnings:		
Applied for retirement of revenue bonds	$ 69,061,148	$ 63,901,682
Deficiency in revenue	7,843,546*	1,847,555*
Other (net)	3,311,603*	2,662,278*
	$ 57,905,999	$ 59,391,849
Current Liabilities:		
Accounts payable	$ 5,199,170	$ 5,112,510
Accrued wages and vacation pay	9,039,107	8,396,003
Accrued interest	1,516,151	1,627,059
Deferred revenue (Note 5)	2,248,096	2,292,916
Other	76,165	287,544
	$ 18,078,689	$ 17,716,032
Damage Reserve	$ 13,004,550	$ 15,427,595
	$167,704,751	$177,618,792

* Denotes deduction.

The accompanying notes are an integral part of these statements.

statements of long-term debt

	Dec. 30, 1967	Dec. 31, 1966
Revenue Bonds (Notes 2 and 3):		
Series of 1947, 3⅝% to 3¾%, due 1978	$50,962,000	$55,438,000
Series of 1952, 4½%, due 1982	18,165,000	18,752,000
Series of 1953, 4½%, due 1982	5,634,000	5,812,000
	$74,761,000	$80,002,000
Less—Funds held by trustee for payment of principal (see accompanying statement of funds)	8,822,148	8,903,682
	$65,938,852	$71,098,318
Equipment Trust Certificates (Notes 2 and 4):		
Series 10, 2.90% to 3.25%, due 1973	$ 4,125,000	$ 4,875,000
Series 11, 3.50% to 3.90%, due 1976	8,755,000	9,210,000
	$12,880,000	$14,085,000
Less—Funds held by trustee for payment of principal (see accompanying statement of funds)	103,339	100,002
	$12,776,661	$13,984,998
	$78,715,513	$85,083,316

statement of funds

For the fifty-two week period

FUND	Balance Dec. 31, 1966, Before Transfers	COLLECTED		Net Transfers Between Funds Made in 1967	Disbursements
		Revenue and Other Receipts	Interest Income		
Held By Revenue Bond Trustee:					
Transit Revenue	$11,390,638	$143,073,307	$ 101,114	$141,203,624*	$ —
Interest	1,585,223	—	37,919	3,029,164	3,166,960*
Serial Bond Maturity	1,000,000	—	56,138	1,943,862	2,000,000*
Sinking Funds	29,842	—	713	3,108,496	3,131,206*
Reserve Funds	7,873,840	—	351,603	397,503*	—
Depreciation Reserve	12,211,954	—	444,401	3,503,598	7,796,165*
Operating Expense Reserve	1,896,563	—	41,694	693,834*	—
Modernization	46,421	757,028	—	—	803,449*
Held By Equipment Trustee:					
For payment of interest	41,836	—	6,224	483,665	492,934*
For payment of principal	100,002	—	15,303	1,193,034	1,205,000*
Other:					
Working Cash Account	1,146,502	7,816,636	2,237	123,527,976	131,523,722*
Damage Reserve	8,367,273	—	348,190	5,545,546	8,381,254*
Excess Damage Reserve	1,000,000	—	40,380	40,380*	—
Total	$46,690,094	$151,646,971	$1,445,916	$ —	$158,500,690*

* Denotes deduction.

statement of changes in appropriated net earnings

For the fifty-two week period ended December 30, 1967

Balance December 31, 1966	$59,391,849
Applied for retirement of revenue bonds—	
Serial bond maturity fund	$ 1,994,623
Sinking funds	3,000,670
Discount on retirement of revenue bonds	109,796
Interest on investments held for—	
Sinking funds	713
Revenue bond reserve funds	53,663
Deficiency in current period revenue, per accompanying statement of application of revenue	5,995,991*
Other—	
Interest on investments held for depreciation reserve fund	444,401
Interest on equipment trust certificates	489,889*
Transfer from operating expense reserve	603,836*
Net change	$ 1,485,850*
Balance December 30, 1967	$57,905,999

* Denotes deduction.

ended December 30, 1967

Balance, December 30, 1967, Before Reflection of Transfers Yet to be Made Between Funds			Net Transfers Between Funds to be Made After Dec. 30, 1967	Balance, December 30, 1967, After Giving Effect to Transfers to be Made Between Funds		
HELD AS				CLASSIFIED AS		
Cash	U.S. Government Securities	Total		Special Funds	Current Assets	Reduction of Long-Term Debt
$ 9,711,625	$ 3,649,810	$13,361,435	$13,361,435*	$ —	$ —	$ —
1,485,346	—	1,485,346	7,986*	—	1,477,360	—
1,280	998,720	1,000,000	5,376*	—	—	994,624
7,845	—	7,845	8,261*	—	—	416*
19,155	7,808,785	7,827,940	—	—	—	7,827,940
371	8,363,417	8,363,788	3,934,704*	4,429,084	—	—
801	1,243,622	1,244,423	—	1,244,423	—	—
—	—	—	—	—	—	—
863	37,928	38,791	—	—	38,791	—
2,203	101,136	103,339	—	—	—	103,339
935,504	34,125	969,629	16,951,847	—	17,921,476	—
165,334	5,714,421	5,879,755	365,915	6,245,670	—	—
1,081	998,919	1,000,000	—	1,000,000	—	—
$12,331,408	$28,950,883	$41,282,291	$ —	$12,919,177	$19,437,627	$8,925,487

The accompanying notes are an integral part of these statements.

statements of application of revenue

For the fifty-two week and fifty-three week periods ended December 30, 1967, and December 31, 1966

	1967 (52 Weeks)	1966 (53 Weeks)
Operating Revenue:		
Passenger transportation	$145,087,599	$144,829,281
Other	2,891,638	2,642,144
	$147,979,237	$147,471,425
Operating Expenses:		
Operations and maintenance—		
Scheduled transit operations	$ 70,903,430	$ 66,781,478
Other, including maintenance and servicing of $27,433,792 and $25,721,776 in 1967 and 1966, respectively	33,717,671	30,980,833
Superintendence and general office	16,858,059	16,558,350
Provision for injuries and damages	5,919,170	6,514,044
Electric power for revenue equipment	3,991,111	4,219,231
Fuel for revenue equipment	2,481,453	2,345,235
Operating rentals (Note 7)	815,442	831,134
	$134,686,336	$128,230,305
Revenue Available for Debt Service	$ 13,292,901	$ 19,241,120
Debt Service Requirements:		
Interest	$ 3,059,097	$ 3,320,034
Serial bond maturity fund	1,994,623	2,032,258
Sinking funds	3,000,670	2,869,276
	$ 8,054,390	$ 8,221,568
Less—Transfer from operating expense reserve for debt service requirement in January, 1967	603,836	—
Debt service requirements deducted from revenue	$ 7,450,554	$ 8,221,568
Revenue Available for Depreciation	$ 5,842,347	$ 11,019,552
Depreciation Requirement—Current Period	11,838,338	11,797,714
Deficiency in Revenue, representing depreciation for which cash was not available for deposit with the Trustee:		
Current period	$ 5,995,991	$ 778,162
Beginning of period	1,847,555	1,069,393
End of period	$ 7,843,546	$ 1,847,555

The accompanying notes are an integral part of these statements.

notes to financial statements

As of December 30, 1967

(1) Revenue of each calendar year after deducting operation and maintenance expenses is to be deposited in the following funds, in the order shown, to the extent that moneys are available therefor:

A. Revenue bond interest fund, serial bond maturity fund, sinking funds and reserve funds—deposits equal to debt service requirements as provided in the revenue bond trust agreement.

B. Depreciation reserve fund—deposits equal to the annual depreciation provision and deficiencies, if any, in prior years' deposits.

C. Revenue bond amortization fund—deposits, cumulative within the year, equal to $300,000 quarterly for the Series of 1947 and 1952 revenue bonds and $16,714 quarterly for the Series of 1953 revenue bonds.

D. Operating expense reserve fund—deposit to be not less than $900,000 each year, until the balance in the fund is equal to at least $4,000,000.

E. Municipal compensation fund—deposit to be computed in accordance with the franchise ordinance.

F. Modernization fund—deposits to be equal to the moneys remaining after making required deposits to the above funds.

(2) Debt service requirements for fiscal 1968 for the payment of principal on revenue bonds and equipment trust certificates consist of the following:

	Total	Revenue Bonds	Equipment Trust Certificates
Serial bond maturity	$1,989,243	$1,989,243	$ —
Sinking funds	3,185,755	3,185,755	—
Principal payment funds	1,247,500	—	1,247,500
	$6,422,498	$5,174,998	$1,247,500

(3) Payments of principal on revenue bonds are to be made annually from deposits made to the serial bond maturity fund and as rapidly as practicable from deposits made to the sinking funds, but at least annually from deposits to the Series of 1947 sinking fund and semiannually from deposits to the Series of 1952 and 1953 sinking funds.

Revenue bond reserve requirements were met in prior years. Amounts deposited in revenue bond reserve funds can be used only for (a) payment of principal or interest on revenue bonds whenever on any principal or interest payment date there would be insufficient moneys held by the trustee in applicable principal, interest and other funds or (b) retirement of remaining bonds outstanding whenever the aggregate amount in the revenue bond reserve fund, revenue bond amortization fund and sinking fund for any series is equal to the amount of applicable series bonds then outstanding.

(4) The collateral for Series 10 and 11 equipment trust certificates consists of 575 motor buses and 493 elevated-subway cars.

Payments of principal on equipment trust certificates are to be made semiannually from deposits made to principal payment funds. Deposits for payment of principal and interest on equipment trust certificates are to be made from the depreciation reserve fund to which deposits are to be made after requirements have been fulfilled for operating expenses and principal and interest on the revenue bonds.

(5) Funds received from the State of Illinois for reimbursement of the costs of transporting students are being recorded in revenue based on the number of school days in each period. Accordingly, $3,694,820 and $3,653,642 were recorded in revenue for the fiscal periods 1967 and 1966, respectively. The balance deferred at December 30, 1967, of $2,248,096 will be recorded in revenue during the 1968 fiscal period. The Authority will receive an additional $3,650,000 for the 1968-69 school year.

(6) The Trust Agreement securing the revenue bonds provides that amounts shall be set aside monthly for pensions and retirements as Chicago Transit Board shall deem necessary. Under its pension agreement the Authority has agreed to contribute a fixed percentage of payroll costs to a contributory Retirement Plan maintained for the benefit of its employes.

The Authority's contribution to the Plan for the fifty-two week period ended December 30, 1967, approximated $8,700,000, which exceeded normal cost and interest on unfunded past service cost by approximately $400,000. The actuarially computed value of vested benefits of the Plan as of January 1, 1967, the date of the latest actuarial valuation, exceeded the total of the assets of the Plan and balance sheet accruals for pensions by approximately $82,000,000.

(7) The Authority leases operating facilities under long-term leases which expire on various dates from 1977 to 1990.

(8) Commitments for capital expenditures as of December 30, 1967, are approximately $3,200,000. Total 1968 construction expenditures are estimated to be $15,600,000.

mileage owned, leased, and operated

December 30, 1967

	Surface System	Rapid Transit System	Combined
Track Owned or Leased:			
Owned	1.86	170.92	172.78
Leased (Subways, Congress Expressway and Lake Street Track Elevation)	—	38.28	38.28
Total Track Owned or Leased	1.86	209.20	211.06
Revenue and Non-Revenue Track or Route Mileage:			
Revenue Miles in Operation—			
Revenue Track	—	159.60(1)	159.60
Trolley Bus Lines (Single Way Miles)	201.24	—	201.24
Motor Bus Lines (Single Way Miles)	1,658.92	—	1,658.92
Total Revenue Miles	1,860.16	159.60	2,019.76
Non-Revenue Miles—			
Service Track	1.86(2)	49.60(3)	51.46
Connecting Trolley Bus Lines and Trolley Bus Storage	21.58	—	21.58
Total Non-Revenue Miles	23.44	49.60	73.04
Total	1,883.60	209.20	2,092.80

NOTES:

(1) Not comparable with prior years because crossovers and turnouts have been included with service track in this statement.

(2) Freight track at South Shops plant and railroad connection to 84th and Wentworth.

(3) Includes main line storage track, crossovers, track in yards and shops, and 3.66 miles of freight gauntlet and yard track on North-South and Evanston routes.

statement of transportation property and organization expense

Showing balance at December 31, 1966, plus additions and
less retirements during 1967 and balance at December 30, 1967

	Balance Dec. 31, 1966	Gross Additions	Retirements	Balance Dec. 30, 1967
Land	$ 14,798,362	$ 215,474	$ 203,172	$ 14,810,664
Track and Paving	12,312,585	821,163	87,129	13,046,619
Machinery and Tools	5,203,214	409,524	31,789	5,580,949
Electric Line Equipment	9,551,817	66,346	262,079	9,356,084
Buildings	35,172,744	1,171,152	110,659	36,233,237
Cars	62,609,681	100,415	54,861	62,655,235
Buses, Fare Boxes, etc.	71,698,539	2,064,834	1,108,267	72,655,106
Work Cars, Autos and Service Equipment	2,059,385	70,812	61,714	2,068,483
Furniture	1,584,629	53,499	8,972	1,629,156
Signals and Interlocking	3,003,962	275,202	6,280	3,272,884
Crossings, Fences and Signs	1,398,395	36,245	—	1,434,640
Elevated Structures	8,485,197	651,069	144,898	8,991,368
Sub-Station Equipment	4,539,217	889,471	14,760	5,413,928
Telephones and Communications	990,146	54,691	23,088	1,021,749
Engineering	46,623	—	—	46,623
General and Miscellaneous	6,128,086	472,000	93,648	6,506,438
Total Transportation Property	$239,582,582	$7,351,897	$2,211,316	$244,723,163
Organization Expense	85,316	—	—	85,316
Totals	$239,667,898	$7,351,897	$2,211,316	$244,808,479

revenue equipment owned

December 30, 1967

	On Hand 12-31-66	1-1-67 to 12-30-67		On Hand 12-30-67
		Acquired	Retired	
Buses:				
Trolley Buses	474	-	21	453
Diesel—Air Conditioned	10	-	-	10
Diesel	1,231	56	14	1,273
Propane	1,595	-	25	1,570
Total Buses	3,310	56	60	3,306
Rapid Transit Cars:				
Steel—Conventional Type	206	-	-	206
Metal—Articulated P.C.C.	4	-	-	4
Metal—P.C.C.	769	-	1	768
Metal—Air-Conditioned High-Speed	180	-	-	180
Total Rapid Transit Cars	1,159	-	1	1,158
Total Revenue Equipment Owned	4,469	56	61	4,464

operating statistics

For fiscal year ended December 30, 1967

	Surface System	Rapid Transit System	Combined System
Revenues	$112,623,744	$ 35,355,493	$147,979,237
Revenue Passengers	389,770,830	120,737,566	510,508,396
Revenue Vehicle Miles—			
Cars—Rapid	—	45,314,174	45,314,174
Trolley Coaches	13,639,948	—	13,639,948
Motor Buses	93,433,594	—	93,433,594
Total Revenue Vehicle Miles	107,073,542	45,314,174	152,387,716
Revenue per Vehicle Mile	$1.05	78.02¢	97.11¢
Earning Revenue Vehicle Hours—			
Cars—Rapid	—	(1)	—
Trolley Coaches	1,422,655	—	1,422,655
Motor Buses	8,909,261	—	8,909,261
Total Revenue Vehicle Hours	10,331,916	—	10,331,916
Power Statistics:			
Direct Current Kilowatt Hours	54,621,765	218,591,919	273,213,684
Average Cost per Kilowatt Hour	—	—	1.83¢
Motor Bus Fuel Statistics:			
Diesel Fuel—Gallons	10,445,300		
Average Miles per Gallon	4.03		
Average Cost per Mile	2.47¢		
Propane Fuel—Gallons	25,961,900		
Average Miles per Gallon	1.98		
Average Cost per Mile	2.81¢		

(1) Not Available

CTA's twenty year modernization program

1947-1967

The year 1967 marked the twentieth anniversary of Chicago Transit Authority as an operating company. The 20-year period is one during which transit modernization and improvements progressed at a rate unprecedented in Chicago local transit history. This was accomplished during times of progressive inflation and severe competition from the private automobile.

Modernization Costs

More than $220,000,000 has been spent by CTA for new rapid transit cars, buses, garages, shops, and other modern facilities.

For purposes of comparison, in the 38 years preceding the start of CTA's modernization program, the two predecessor companies - Chicago Surface Lines and Chicago Rapid Transit Company - had invested only $46,000,000 for modernization purposes.

Initial Program now Complete

CTA's initial modernization program, required by the Metropolitan Transit Authority Act, was completed in 1959. Since its inception, CTA has purchased 5,943 cars and buses, and every section of the city is now served by modern surface equipment. Purchases now are for replacement purposes. Streetcars and wood-steel rapid transit cars have all disappeared from the Chicago scene. Their place has been taken by noiseless buses and streamlined rapid transit cars.

Surface System Improvements

Through the conversion from rail to rubber on the surface system, a flexibility of operation has been attained that wasn't possible when streetcars dominated the surface fleet.

Other improvements on the surface system consisted of extensions of routes, express service, rerouting of some lines to serve as feeder service to rapid transit stations and terminals, shortening former long routes to maintain better regularity of service, and expansion of commuter service in the downtown area.

Rapid Transit Advancement

On the rapid transit system where there is little interference from today's record-breaking volume of street traffic, the improvements in service have been especially marked and Chicago today has its most-advanced and fastest rapid transit service.

An express system of "A" and "B" rapid transit stops which began early in 1948, along with the closing of lightly-used stations, resulted in a considerable reduction in travel time for riders.

Modern Rapid Transit Equipment

One hundred eighty "New Look" air-conditioned rapid transit cars are in daily service on the Lake and West-Northwest rapid transit routes.

First for Congress Rapid Transit

Rapid transit in the median strip of the Congress route was the first ever built and constructed to combine rail rapid transit and a multi-lane automobile expressway in the same grade-separated right-of-way. Every city in the world has had representatives in Chicago to observe this operation.

Lake Street Elevation

Another noteworthy CTA accomplishment and outstanding example of public agency and organization cooperation, was the elevation of the Lake rapid transit route to the Chicago and North Western Railway right-of-way. This elevation, placed in operation October 28, 1962, eliminated 22 grade crossings in the two and one-half mile section between Laramie avenue, Chicago, and Harlem avenue, Oak Park.

Success of Skokie Swift

The Skokie Swift high-speed service, between Howard street in Chicago and Dempster street in Skokie, was inaugurated on April 20, 1964, as a federally-aided mass transportation demonstration project. The success of this project has attracted world-wide attention. At the end of the two-year experimental period, 3,500,000 persons had used the service, and Chicago Transit Board authorized operation of the Skokie Swift route as a permanent part of CTA's rapid transit network.

Latest Signaling System

Placed in operation this year on the Lake rapid transit route was the most modern type of in-cab signaling and speed control system available. This system automatically keeps the train motorman informed of track conditions as well as allowable speeds along the route. A panel in the motorman's cab continuously displays the proper speed instructions to the motorman.

Modernization of Other Facilities

Along with the modernization of all passenger equipment and extension of transit routes, many millions of dollars have been invested in new rapid transit and surface repair shops and garages, new transportation offices, automation of electrical substations, and new off-street bus terminals. These new facilities have substantially reduced operating costs and contributed to more efficient operation.

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